

INFORMATION PAPER

Finance
March 30, 2021

SUBJECT: Retirees Health Care

1. Purpose: The 2019 Comprehensive Annual Financial Report (CAFR) reported that the outstanding liability for Retirees Health Care is \$580,049,873.

2. Facts:

a. The City provides health insurance for employees that retire. The health insurance covers the retiree and their spouse. It continues until death.

b. The City pays for the health insurance on a pay as you go basis. No funds are set aside for future benefits.

c. Paying for retiree's health insurance from the current operational budgets will affect the ability to fund services as the number of retirees grows.

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Submitted To: James V. Capparelli, 3/30/2021